

Protect Your Medicare Your Medicare Matters



Steps to Protect Yourself from Medicare Fraud

brought to you by





Dear Medicare Beneficiary:

We know how important your Medicare is to you and we want to help you protect it. We understand that making decisions about your Medicare can be difficult. You have many options. You can keep your Original Medicare benefits, or you can switch to a Medicare Advantage Plan that will provide your coverage instead of Medicare. You can also join a Part D plan to help pay for your prescription drug costs.

These choices can provide good coverage, depending on your health and needs. However, all of these choices can be confusing. Use this toolkit as a starting point to get information about your Medicare options.

This toolkit also contains information to help you protect your Medicare from fraud and abuse. The Illinois Senior Medicare Patrol (SMP) Program is here to help you protect yourself from, detect, and report Medicare fraud and abuse. There are SMP Programs in every state. Contact AgeOptions to find an SMP Program near you.

If you have questions about this toolkit or think you may have experienced Medicare fraud or abuse, contact the Illinois SMP Program at AgeOptions: (800)699-9043 or (708)383-0258.

Your Toolkit Contains:

- ★ Stories about people who have experienced Medicare fraud
- ★ Tips on avoiding and detecting Medicare fraud
- ★ Facts about Medicare Basics, Medicare Supplement plans, Medicare Part D and Medicare Advantage plans
- ★ Questions to ask when purchasing an insurance plan
- ★ Information on programs that can help pay for your health and prescription drug coverage
- ★ Tips on other consumer protection issues

SMP Stories and Tips

Be aware of Medicare Fraud.

It happens in different ways. The following stories are examples of Medicare fraud with tips in case a similar event happens to you.

• Mrs. Davis

Mrs. Davis received a phone call one day from a man who said he was “from Medicare.” He told her that he needed to send her a new Medicare card. In order to send it to her, he asked for her address and her Medicare number. Mrs. Davis refused to give him this information and hung up the phone. Mrs. Davis informed the police of the phone call, and the police officer notified the SMP program.

★ **Tip: Do not give your personal information, including your Medicare number to anyone over the phone unless YOU make the call! If you want to know if someone is calling from a legitimate organization, hang up the phone. Then, look up the phone number for that organization and call them.**

• Mr. Robinson

Mr. Robinson was reading his Medicare Summary Notice, and he realized that he and Medicare were billed for an appointment that he never had. He contacted the doctor’s office, but they refused to reimburse him or Medicare for the billing error. Mr. Robinson contacted the Illinois SMP program for help.



★ **Tip: Always read your Medicare Summary Notice (MSN) or Explanation of Benefits (EOB) very carefully. Keep track of your medical and prescription information and compare your notes to the claims on your MSN. Call AgeOptions for a free Health Care Tracking Journal.**

★ **Tip: No one should bill you or Medicare for services that you do not need or did not receive. If you notice charges on your Medicare Summary Notice for something that you do not need, did not receive, or was ordered by someone who did not provide care for you, call the Illinois SMP program.**

Tips to Avoid and Detect Medicare Fraud

- ★ Read your **Medicare Summary Notice (MSN)** or **Explanation of Benefits (EOB)** notice to ensure that you are being billed correctly for the services that you receive. Ask yourself these questions:
 - Did I receive the item or service for which Medicare is being billed?
 - Did my doctor order the item or service for me?
 - Is this item or service relevant to my diagnosis?
 - Are there other errors in my statement?
- ★ Never provide your Medicare or Medicaid number (or any part of it) unless you know who you are dealing with. Only give them out on the phone if YOU make the call! Protect these numbers as if they were credit card numbers.
- ★ Never provide your Medicare or Medicaid number (or any part of it) in exchange for free services.
- ★ Never accept medical services, supplies, or equipment from someone on the phone, a door-to-door sales representative, or a TV or magazine ad. Only your doctor can order services, supplies, or equipment for you. Also remember that Medicare does not sell anything.
- ★ If a caller tries to threaten or pressure you into something, hang up the phone.
- ★ Do not keep mail in your mailbox for more than one day. People steal information right out of your mailbox. Also remember to rip up or shred your Medicare or other health care papers before throwing them away. Crooks go through the trash!
- ★ Avoid people who tell you that an item or service is not usually covered by Medicare or Medicaid, but they can bill for it differently to get paid.
- ★ Use a Health Care Tracking Journal to compare your notes to your Medicare Summary Notice (MSN). Also use the Journal to record your health care appointments, tests and supplies.

Get your FREE Health Care Tracking Journal. To receive your journal, call AgeOptions at (800)699-9043.



Get the Facts - Medicare Basics

MEDICARE is a government health insurance program. With Medicare coverage, you can visit any doctor, hospital, or health care provider that accepts Medicare. To qualify for Medicare, you must be at least 65 years old or have received Social Security Disability benefits for at least 24 months. You must also be a U.S. citizen or a permanent resident that has lived in the U.S. for 5 years.

Medicare Part A is “hospital insurance.” Part A provides coverage for hospital care, some skilled nursing facility care, some home health care, and hospice. If you are turning 65 and you have “paid into” Social Security or Railroad Retirement through 40 quarters of work, you will have Part A of Medicare without paying a monthly premium. (You can also get Part A for free if you worked for the federal, state, or local government.) If you have not worked for 40 quarters, you can still buy Medicare coverage if you want. The cost to buy Part A coverage depends on how many quarters you have worked.

You will have some cost-sharing with Medicare Part A. When you go to the hospital, you will have to pay a deductible before Medicare starts to cover your care. A deductible is an amount of money that you must pay for your services before Medicare will pay anything. Once you have paid your deductible, Medicare will cover a certain number of days of hospital or skilled nursing care in full. If you need more care, you may have to pay a co-payment for the extra days of care that you need.

Medicare Part B is “medical insurance.” Part B covers outpatient services, like visits to your doctor, lab tests, ambulance services, and medical equipment and supplies. Part B also covers some preventative services, including mammograms, pap smears, colon cancer screenings, prostate cancer screenings, diabetes screenings, and flu shots. In order to be eligible for Part B, you must have worked for at least 40 quarters in a job that “paid into” Social Security or Railroad Retirement. (You can also get Part B if you worked for the federal, state, or local government.) To get Part B benefits, you must also pay a premium each month. You may have this premium taken out of your Social Security check, if you want.

In addition to the Part B premium, you will have a deductible every year. This is the amount of money that you must pay before Medicare will start to cover your services. Once you have paid the deductible amount, Medicare will usually cover about 80% of the cost of your Part B care. That means that you would have to pay about 20% of the cost of your care in coinsurance or co-payments.

Get the Facts - Medicare Supplement

“Filling the Gaps” Supplementing your Medicare Coverage

If you have difficulty paying for your Medicare premiums, deductibles, and co-insurance, there are ways that you can fill the gaps in your coverage. If you are eligible for Medicaid or a Medicare Savings Program, these programs can help pay for those extra costs. (See more information about Medicare Savings Program on page 10.)

If you do not qualify for Medicaid or a Medicare Savings Program, there are still ways that you can fill the gaps in your Medicare coverage. Some people may have employer insurance or retiree insurance to cover these costs. Others may choose to purchase a Medicare Supplement, or “Medigap” policy to supplement their Medicare insurance.

Anyone eligible for Medicare can purchase a Medigap policy. The companies that sell these policies **must** sell you a policy if you apply within 6 months of being eligible for Part B. This is called your Medigap “open enrollment period.” During your open enrollment period, companies can not deny or limit your enrollment, even if you have health problems. If you have supplemental coverage from your employer, and you want to purchase a Medigap plan when you lose that coverage, you will have a 63-day open enrollment period once your employer coverage stops. If you buy a Medigap plan during those 63 days, you have the same rights as someone in their initial 6 month open enrollment period.

If you choose to get your coverage through a Medicare Advantage plan, remember that Medicare Advantage is NOT the same as a Medicare Supplement plan.

All Medigap policies have a 30-day “free look” period. This means that if you are not happy with your Medigap plan, you can return it within 30 days, and the plan will refund your money. Keep track of the date when you bought your policy, and be sure to read the policy as soon as you get it. If you decide to return your policy, use certified mail with a return receipt, so that you will have proof that you returned the policy within 30 days.

Some people prefer to get all of their Medicare benefits through a Medicare Advantage plan. (See more information about Medicare Advantage plans on page 7.) A Medicare Advantage plan may require you to go to certain doctors or hospitals. They may also charge different co-payments for services. If you do choose to buy a Medicare Advantage plan, make sure it is the right plan for you.

If you have any questions about Medigap policies or Medicare Advantage plans contact **AgeOptions** at **(800)699-9043**.

Get the Facts - Medicare Part D

In 2006, Medicare started offering prescription drug coverage under Medicare Part D. Everyone that is eligible for Medicare is allowed to purchase Part D coverage. Medicare prescription drug coverage is available through many private plans. You can choose to get your coverage from a plan that only covers prescription drugs (PDP), or you can choose a Medicare Advantage plan that also covers prescription drugs (MA-PD).

Note: If you are enrolled in a Medicare Advantage plan that covers prescription drugs, you **MUST get your prescription drug coverage through that plan.**

Part D plans cover many drugs, but each plan has a formulary. A formulary is a list of drugs that a plan will cover. If a prescription is not on your plan's formulary, you will have to pay the full cost of that drug at the pharmacy.

Just like the other parts of Medicare, Part D has costs. Prescription drug plans usually charge monthly premiums, and you will often have to pay a deductible before the plan pays anything. Once you have paid your deductible, you will pay a co-payment for each prescription when you go to the pharmacy. Most of the Part D plans also have what is called a "donut hole" in their coverage. Once you and your plan together have spent a certain amount on your medication, you will pay 100% of the cost for your drugs. Then, once you have spent enough to get out of the 'donut hole,' you will only have to pay 5% of the cost on your drugs, and your Part D plan will cover the rest. The amount you have to pay to reach and to get out of the donut hole changes every year. Call your Part D plan to know the amount.

It is important to remember that if you are eligible for Part D, you must sign up for a plan right away. Otherwise, you will have to pay a late penalty if you join a plan later. This late penalty will make your monthly drug plan premium higher every month. However, you will not have to pay a late penalty if you currently have prescription coverage that is considered "creditable." Creditable coverage means that you have insurance that is at least as good as Part D coverage. For example, Veteran's Administration coverage is creditable, and many employer and retiree plans may be. If you have creditable coverage, you will need proof in writing from your insurance plan that says so. Save that letter in a safe place, in case you decide to join a Part D plan later!

For help paying your Part D coverage, see pages 10-11 for information on the Extra Help and Illinois Cares Rx programs!

Get the Facts - Medicare Advantage Plans

Medicare Advantage (MA) Plans are health care plans approved by Medicare and provided by private insurance companies. Medicare Advantage plans provide all of your Part A (hospital insurance) and Part B (medical insurance) coverage and other medically necessary services just like you have under Original Medicare. They may also cover other benefits, such as dental, vision or transportation. There are several different types of plans:

- ▶ **Health Maintenance Organization (HMO)** plans require you to go to doctors, specialists, or hospitals on the plan's list, except in an emergency.
- ▶ **Preferred Provider Organization (PPO)** plans also have network lists. You may pay less if you use doctors, hospitals, and providers in their network, but pay more to go to doctors or hospitals outside the network.
- ▶ **Medical Savings Account (MSA)** plans have a high deductible. After you pay the deductible, you use a personal Medical Savings Account to pay for your healthcare costs.
- ▶ **Private Fee-for-Service (PFFS)** plans allow you to go to any doctor or hospital that accepts the plan's payment. The plan decides how much it will pay and what you will pay for the services you receive.
- ▶ **Medicare Special Needs (SNP)** plans are specially designed to meet the needs of people who live in certain institutions, are eligible for both Medicare and Medicaid, and/or have one or more chronic conditions.

Medicare Advantage plans may provide good coverage for some people. Make sure you can afford to pay any co-payments, as well as the monthly premium. Also check to see if your health care providers are part of the plan's network or if they will accept the plan's payment.

Before you make changes to your Medicare, make sure you understand the plan benefits and how the change will affect your current Medicare plan. Use the forms on pages 8 and 9 to help.

If you have Original Medicare and choose to enroll in a Medicare Advantage Plan:

- The Plan will pay for your health care instead of Original Medicare paying for it.
- You will be given a new Plan card. Use this card when you get health services.
- You will continue to pay your Part B premium even if you enroll in a Medicare Advantage Plan.
- The plan is not a Medicare Supplement Plan, and it does not replace Medicare Supplement Insurance.
- Your co-payments for Medicare services may be different than under Original Medicare.

Ask the Right Questions

If you are thinking about changing your Medicare coverage, work together with your insurance agent to complete this form and decide if the plan is right for you. If you have questions or need help, call AgeOptions at (800)699-9043.

Questions to Ask While Talking to an Agent about a Plan

Date: _____

What is the name of the plan I am interested in?

How did I hear about the plan? _____

This plan I am interested in is a:

☐ Medicare Advantage Plan -
Health Coverage ONLY

☐ Medicare Advantage Plan -
Health and Prescription Drug Coverage

☐ Prescription Drug Plan

☐ Medicare Supplement Plan

Has the agent given me a written description of the plan? ☐ YES ☐ NO

If the plan is a Medicare Advantage Plan:

Does the plan include Prescription Drug (Part D) coverage? ☐ YES ☐ NO

How much will my premium payment be? \$ _____

Will I still have to pay my Part B premium? ☐ YES ☐ NO

Have I asked all my medical providers (doctors, hospitals, etc.) if they accept the plan? ☐ YES ☐ NO

What will my co-payments be for:

Doctor visit \$ _____

Hospital stay \$ _____

Prescription drugs \$ _____ ☐ N/A

Can I return to Original Medicare at any time? ☐ YES ☐ NO

MAKE SURE THE OTHER SIDE OF THIS FORM IS COMPLETED ALSO.

Ask the Right Questions

(Continued)

If the plan is a Medicare Supplement Plan:

How much will my premium payment be? \$ _____

What will the plan cover that Original Medicare does not? _____

If the plan covers Prescription Drugs:

How much will my premium payment be? \$ _____

What will my co-payments be? _____

Are all of my drugs covered? ☐ YES ☐ NO

Do any of my drugs require prior authorization, step therapy, or quantity limits? ☐ YES ☐ NO

If so, which drugs? _____

What are the rules? _____

Have the agent complete the section below

Agent/Broker/Company Information

Agent/Broker Name _____

Company Name _____

Company Address _____

Phone Number _____ E-mail _____

Agent's Illinois Insurance License Number _____

The plan I am offering is: ☐ Medicare Advantage Plan - Health coverage ONLY ☐ Medicare Advantage Plan - Health and Prescription Drug coverage

☐ Prescription Drug Plan ☐ Medicare Supplement Plan

Agent/Broker Signature _____ Date _____

MAKE SURE THE OTHER SIDE OF THIS FORM IS COMPLETED ALSO.

Get Help Paying for Your Medicare

In Illinois, there are programs that will help with your medical bills or prescription drug costs if you have limited income and/or resources.

Medicare Savings Programs are government assistance programs that help pay your Medicare Part A or Part B premiums, deductibles, and/or co-insurance **IF** you meet the monthly income and asset limit. Contact AgeOptions at (800)699-9043 for more information.

The Extra Help Program is through the Social Security Administration. This program helps pay for your costs in a Medicare Part D drug plan. It pays your Part D premium and has coverage in the donut hole. Your co-pays for your drugs will also be at a lower price. **If you have both Medicaid and Medicare, you automatically qualify for Extra Help and do not need to apply.** Call AgeOptions to find out more.

Illinois Cares Rx Program, formerly known as Senior Care or Circuit Breaker Pharmaceutical Assistance Program, also provides help paying for Part D prescriptions.

This program is for people who are:

- Residents of Illinois
- With or without Medicare
- Age 65 and older **OR** age 16 or older with a disability



★ **Tip: If it sounds too good to be true, it probably is! Be wary of people who offer you “free” services or equipment in exchange for your Medicare number, Social Security number, or other personal information. If you are uncertain as to whether a service or product is covered by Medicare, you can call 1-800-MEDICARE or call AgeOptions at (800)699-9043.**

Call AgeOptions at (800)699-9043 to find out about plans that coordinate with Illinois Cares Rx

Get Help Paying for Your Medicare

Illinois Cares Rx Program (continued)

There are two levels of Illinois Cares Rx:

- ▶ **Illinois Cares Rx Basic** - is for people age 65 and older OR age 16 or older with a disability. Medications for 11 conditions are covered under Basic.
- ▶ **Illinois Cares Rx Plus** - is for people age 65 and older. It covers almost all prescription drugs.

If you have Medicare and are in one of the coordinating Part D plans with Illinois Cares Rx, you get the “wrap around” benefits. You pay:

- No premium (the State pays it for you)
- No deductible for covered drugs
- Help with costs in the donut hole
- Lower co-pays for covered drugs

You must file an application every year to renew your benefits for Illinois Cares Rx.

If you have Medicare and are in a plan that does not coordinate with Illinois Cares Rx, you will not get the wrap around benefits, but you may stay in your Part D plan and Illinois Cares Rx will send you a monthly rebate check for \$25. You can also get a rebate check if you have drug coverage through an employer or the Veteran’s Administration. If you are enrolled in Illinois Cares Rx, you will also get a Special Enrollment Period (SEP), which is a chance to change your drug plan outside of the yearly Open Enrollment Period (OEP). You can use this opportunity to switch to a coordinating plan.

★ **Tip: Insurance agents cannot call you or come to your house without your permission. They also cannot enroll you in a plan over the phone, unless you call them. If you do invite an agent to your house to tell you more about a plan, do not sign anything unless you are ready to enroll in that plan. Ask for more information in writing and read it before signing up. If you can, have someone that you trust with you during the meeting. Finally, use the other pages of this toolkit to help you decide whether the plan is right for you before you sign up for anything!**

Consumer Fraud Resources

Healthcare fraud is unfortunately not the only type of fraud. Below are some tips to avoid other types of fraud. Always guard your personal information, and **PROTECT, DETECT, REPORT!** If you are uncertain about a phone call or something you received in the mail, call the Illinois SMP Program!

Identity Theft

PROTECT yourself from identity theft by protecting your personal information - your Social Security number, Medicare number, date of birth, address, etc. Do not give this information out to a stranger, and do not carry your Social Security card or Medicare card in your wallet unless you need it that day.

You can also stop receiving pre-screened credit offers by calling 1-888-567-8688 or filling out a registration form at www.optoutprescreen.com.

DETECT identity theft by reading your bank and credit card statements. Also, check your credit by requesting a free copy of your credit report EVERY YEAR. You are allowed one free credit report from each of the three credit reporting companies each year. You can order all three reports at once, or you can order them one at a time. It is important to read all three reports, since each one may have different information on it. You can order a copy of your credit reports from www.annualcreditreport.com or by calling 1-877-322-8228.

Note: www.annualcreditreport.com is the **ONLY** place where you can get a **free** credit report - beware of other companies that offer “free” credit reports, but charge you fees or force you to buy other products to get your report.

REPORT identity theft to your local police department. Close any accounts that you think may have been tampered with. Then, file a complaint at:

Federal Trade Commission
1-877-ID-THEFT (438-4338)
TTY 1-866-653-4261
www.ftc.gov

Finally, put a fraud alert or security freeze on your credit accounts by contacting the three credit reporting companies:

- **Equifax: 1-800-525-6285**
- **Experian: 1-888-EXPERIAN (1-888-397-3742)**
- **TransUnion: 1-800-680-7289**

You only have to call one of the companies to place a fraud alert on your account; that company will contact the other two. However, to place a security freeze on your account, you will need to contact ALL three of the companies.

Consumer Fraud Resources

Phone Scams and Telemarketing

To avoid getting phone calls from telemarketers, put your phone number on the **National Do Not Call Registry**. The following are ways to put your number on the registry:

- **Online:** <http://donotcall.gov>
- **Phone:** 1-888-382-1222
- **TTY:** 1-866-290-4236

Note: There are exceptions to the Do Not Call Registry. For example, companies are allowed to call you if you give someone permission to call you, or if you sign up for a drawing at a health fair.

NEVER give your personal information to anyone that you do not know - even if they say they are from the police, Social Security, your bank, etc. Real employees from these organizations will **NOT** ask for personal information over the phone!

If someone says they are calling from a charity or other organization and asks for a donation, ask who is calling, then hang up the phone. If the call was legitimate, you will be able to give a donation by contacting the organization yourself.

Mail Fraud

Many scam artists will send offers in the mail for products, services, or investments that are really worthless scams. Often, these people will take your money and give you nothing in return. Beware of the following mail scams:

- **“Free” prizes or vacations, foreign lotteries, or sweepstakes winnings.** When you try to claim your “prize,” you will often be told that you must pay fees, taxes, or other expenses up front. Do **NOT** give out personal information, and do **NOT** send money. You will **NEVER** be asked to pay up front for real contest winnings, and taxes on a cash prize can be taken out of the winnings later.
- **Government look-alike mail** that asks for donations or other forms of payment. These mailings will always have a notice that says the sender is not from a government agency, but that notice may be in very small print.
- **Solicitations for charitable donations.** Only donate to charities with which you are familiar. Many scam artists will create fake charities to steal your money.



Things weren't always so complicated.

Unfortunately, today everything's more complicated. Medicare doesn't have to be. Senior Health Insurance Program (S.H.I.P.) counselors, trained by the Illinois Department of Insurance, will answer your health insurance questions for free.

For help with questions about Medicare, Medicare supplements, long term care insurance, the Medicare prescription drug coverage or Illinois Cares Rx

Call 1-800-548-9034



Or visit us on the web at
www.insurance.illinois.gov

Report suspected Medicare fraud, waste and abuse

Illinois SMP Program

AgeOptions

(800)699-9043

Local (708)383-0258

TTY (708)524-1653

Thanks to the Illinois SMP offices and volunteers for their continuous dedication while serving Illinois Medicare beneficiaries.

This project was supported in part by a grant from the U.S. Administration on Aging, Department of Health and Human Services, Washington, D.C. 20201. Grantees undertaking projects under government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official Administration on Aging policy.

March 2009

4000 printed